



**For Immediate Release  
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## **Runner Says Amazon Threat Credible**

### ***Revised Board Analysis Warns Nexus Law Could Cost Jobs***

Board of Equalization Member Senator George Runner today warned that Amazon will terminate its relationships with more than 10,000 California-based affiliate businesses if pending legislation becomes law.

“In no uncertain terms, Amazon has made it clear to me that the checks they send Californians will be cut off overnight if pending legislation aimed at regulating their operations becomes law,” said Runner.

Runner cited a [letter](#) he received from Paul Misener, Amazon’s Vice President for Global Public Policy, in which Misener cites four specific bills—AB 153 (Skinner), AB 155 (Calderon), SB 234 (Hancock), SB 655 (Steinberg). These measures all aim at requiring out-of-state online retailers like Amazon to collect sales tax on purchases made by Californians.

In his letter Misener writes: “If any of these new tax collection schemes were adopted, Amazon would be compelled to end its advertising relationships with well over 10,000 California-based participants in the Amazon ‘Associates Program.’”

Runner warned, “This is an imminent threat to California jobs. Lawmakers would do well to pay attention.”

Misener notes that similar statewide terminations have already occurred in North Carolina, Rhode Island and Colorado after those states enacted similar laws.

Misener explains that these participants—also known as affiliates—“place Amazon advertisements on their websites, and then are compensated by Amazon for purchases made by visitors whom they refer to Amazon’s website.”

A revised Board of Equalization [analysis](#) of the pending Assembly measures cautions that 50% of projected revenues would vanish as a result of Amazon's action. Revenues would be "further diminished" if other firms also terminated their affiliate programs.

The BOE analysis also warns of an "adverse impact on state employment," resulting in lower corporate and personal income tax revenues for the state.

In conclusion Runner said, "The Legislature needs to stop considering bills that would hurt jobs and instead start improving California's dismal business climate so we can attract much-needed jobs to our state."

Elected in November 2010, Senator George Runner represents more than 9 million Californians as a member of the Board of Equalization. For more information, visit [www.boe.ca.gov/Runner](http://www.boe.ca.gov/Runner).

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